

E.K
May 23, 1963 / 10 P.M. be

OSA - 2897-63

Dear Joe:

Subject: Contract RD-X-63

1. I am sure that when you get through with this letter you'll swear we're involved in a big numbers racket.

2. For internal control and accounting purposes on the subject contract, we established "Task" numbers for various projects (and are the numbers you will see on Vouchers) as follows:

<u>Task</u>	<u>Project</u>
I	All Projects under \$25,000 and not requiring approval
II	Frame by Frame Processor
III	Automatic Exposure Control Printer
IV	Scanning and Recording Densitometer
V	Automation of I.R. Densitometer
VI	Reversal Versamat
VII	Evaluation of New Materials and Processes
VIII	Development of Mod III Titling Head

3. In our letter of 11 February 1963 to you we requested approval to proceed beyond the \$25,000 limit for six (6) "Significant Projects" as follows.

Significant Projects

1. Frame by Frame Processor
2. Automation of I.R. Densitometer
3. Automatic Exposure Control Printer
4. Scanning and Recording Densitometer
5. Reversal Versamat
6. Evaluation of New Materials and Processes

4. You approved items 2 and 4 according to paragraph 3 above. In establishing the numbers in Par. 2 and 3 we were not consistent, therefore, when they are lined up side by side they look like this.

Par. 3 "Task"

- I
- II
- III
- IV
- V
- VI
- VII
- VIII

Par. 4 Significant Project

- 1.
- 3.
4. Approved
2. Approved
- 5.
- 6.

5. In approving items 2 and 4 you were approving our Tasks IV and V. This has created a major crisis in our accounting not to mention the mental gymnastics we're going through to explain all this to some of our other people.

6. I would appreciate you sending me the following TWX to supersede Headquarters wire #5119 dated 1 April 1963.

1. Proceed with Task IV, Scanning and Recording Densitometer.
2. Proceed with Task V, Automation of I.R. Densitometer.
3. Task VII, Contractor to summarize Red Dot tests and submit specific recommendations for continuation.
4. Task II, III, and VI, Frame by Frame Processor, Automatic Exposure Control Printer, and Reversal Versamat, respectively, are being reviewed.

7. In the future we will use the task numbers in our correspondence.



R. R. W.

RRW:jid